

UNITED STATES BANKRUPTCY COURT
MIDDLE DISTRICT OF FLORIDA
ORLANDO DIVISION
www.flmb.uscourts.gov

In re:

Case No. 6:15-bk-03351-KSJ
Chapter 7

INNOVATIVE DISTRIBUTION LLC,

Debtor.

**CHAPTER 7 TRUSTEE'S MOTION FOR SALE OF ASSETS FREE AND
CLEAR OF ALL LIENS, CLAIMS, ENCUMBRANCES AND INTERESTS**

Chapter 7 Trustee, Arvind Mahendru (the "Trustee"), by and through his undersigned counsel and pursuant to (i) sections 105 and 363 of the Bankruptcy Code, 11 U.S.C. §§ 101–1532 (the "Bankruptcy Code"), and (ii) Bankruptcy Rules 2002(a) and (c), 6003, 6004, and 9014, files this *Motion For Sale of Assets Free and Clear of All Liens, Claims, Encumbrances and Interests*, and in support thereof, states as follows:

I. JURISDICTION

1. This Court has jurisdiction over this case pursuant to 28 U.S.C. §§ 157 and 1334. This is a core proceeding pursuant to 28 U.S.C. § 157(b)(2)(A), (M) and (O). Venue is proper in this District pursuant to 28 U.S.C. §§ 1408 and 1409.

II. BACKGROUND

2. On April 17, 2015 (the "Petition Date"), the Debtor filed a voluntary petition for relief under Chapter 11 of the Bankruptcy Code, which was subsequently converted to a Chapter 7 case on June 23, 2015.

3. Arvind Mahendru is the duly appointed Chapter 7 Trustee in this matter.

III. SUMMARY OF RELIEF REQUESTED

4. The Trustee seeks authority to sell certain personal property at private sale, free and clear of all liens, claims, interests and encumbrances (the "Sale"). The Trustee intends to consummate the Sale, on or after February 2, 2016, consistent with (i) the due process requirements of sections 363 of the Bankruptcy Code and the applicable Bankruptcy Rules, and (ii) the sale process as outlined above.

5. The Trustee, having conferred with the Private Party, as defined in the Notice of Intention to Sell Non-Exempt Property of the Estate at Private Sale ("Notice") and the secured creditor, PNC Bank, N.A. ("PNC"), believes the proposed Sale to be in the best interest of the estate and its creditors.

IV. THE PROPOSED SALE

6. Description of Property: Governmental Approvals more particularly set forth in the Notice attached hereto as **Exhibit A**, hereinafter referred to as the "Property."

7. Method of Sale: The Property will be sold to a private party on or after February 2, 2016. The name and address of the private party, hereinafter referred to as the "Private Party" is: Extreme Metal Fabricators.

8. Terms of the Sale: The selling price to the Private Party is \$5,000.00 to be paid immediately to counsel for Private Party to be held in escrow until entry of court order authorizing sale. The \$5,000.00 will be allocated as follows: \$2,500.00 to the estate, \$1,500.00 to WHWW for its attorneys' fees related to the sale and \$1,000.00 to PNC Bank, N.A., to satisfy its lien. The Trustee makes no representations or warranties regarding the Property. Accordingly, the Property is being sold "AS-IS", "WHERE-IS", "WITH ALL FAULTS and DEFECTS THEREIN", free and clear of any liens.

10. Notice of Sale: The Trustee previously issued and served a Notice of Intention to Sell Non-Exempt Property of the Estate at Private Sale, on January 8, 2016 (Doc. No. 79). The Notice was served upon all creditors and set forth the terms and details of the proposed Sale. In compliance with Bankruptcy Rule 2002(a)(2), the Notice was served twenty-one (21) days prior to the date of the proposed Sale.

V. DIVISION OF PROCEEDS

11. PNC Bank, N.A., holds a perfected lien against the Property. PNC has consented to receive payment in the amount of \$1,000.00 to satisfy its lien.

VI. RELIEF REQUESTED

12. By this Motion, the Trustee seeks approval of the Sale, pursuant to Section 363(f) of the Bankruptcy Code. This Court has the statutory authority to authorize the Sale free and clear of liens, claims, interests, and encumbrances. Pursuant to section 363(f) of the Bankruptcy Code, a trustee or debtor in possession may sell all or any part of property of the estate, free and clear of any and all liens, claims, encumbrances or interests if:

- (1) applicable non-bankruptcy law permits sale of such property free and clear of such interest;
- (2) such entity consents;
- (3) such interest is a lien and the price at which such property is to be sold is greater than the aggregate value of all liens on such property;
- (4) such interest is in a bona fide dispute, or
- (5) such entity could be compelled, in a legal or equitable proceeding, to accept a money satisfaction of such interest;

11 U.S.C. § 363(f); In re Elliot, 94 B.R. 343, 345 (E.D. Pa. 1988) (section 363(f) is written in the disjunctive; the court may approve a sale “free and clear” provided at least one of the subsections

is met). In this instance, subsection (c) is met, as the Trustee is not aware of any liens against the Property.

13. Property of the estate may be sold outside the ordinary course of business. Section 363(b)(1) of the Bankruptcy Code provides that “[t]he trustee, after notice and a hearing, may use, sell, or lease, other than in the ordinary course of business, property of the estate.” 11 U.S.C. § 363(b)(1). Courts interpreting section 363(b)(1) of the Bankruptcy Code have held that transactions should be approved under section 363(b)(1) when: (a) they are supported by the sound business judgment of the debtor’s management; (b) interested parties are provided with adequate and reasonable notice; (c) the sale price is fair and reasonable; and (d) the purchaser is acting in good faith. *See e.g., In re Delaware & Hudson Ry. Co.*, 124 B.R. 169 (D. Del. 1991); *In re Phoenix Steel Corp.*, 82 B.R. 334, 335-36 (D. Del. 1987). Here, each of those factors is met.

14. Subject to the terms and conditions of the Motion, the Trustee, in the sound exercise of his business judgment, has concluded that consummation of the Sale will best maximize the value of the estate for the benefit of the creditors. The Trustee has explored various alternatives and proposals and determined that the proposed Sale is in the best interests of the estate and its creditors. In order to ensure that the estate is able to derive maximum value from the Property, the Trustee proposes the Sale, subject to higher and better offers, pursuant to Notice.

15. Pursuant to Section 363(f) of the Bankruptcy Code, the Trustee will sell the Property free and clear of all liens, claims, encumbrances, and interests. The Trustee is aware PNC holding a lien against the Property. Subject to entry of an Order approving the proposed terms and conditions set forth herein, PNC consents to the Sale, free and clear of all liens and

encumbrances. Accordingly, the Trustee has satisfied Section 363(f)(2). The parties shall execute any necessary lien releases.

WHEREFORE, the Trustee respectfully request entry of an order approving the Sale, free and clear of any liens, claims, encumbrances, and interests, approving the division of proceeds as set forth herein, retaining jurisdiction to govern the Sale and any disputes related to the Sale, and granting such other and further relief as is fair and just.

Dated January 8, 2016.

/s/ Ryan E. Davis

Ryan E. Davis, Esquire
Florida Bar No. 0179851
rdavis@whww.com

**WINDERWEEDLE, HAINES, WARD
& WOODMAN, P.A.**

Post Office Box 1391
Orlando, FL 32802-1391
Telephone: (407) 423-4246; Fax: (407) 423-7014
Attorneys for Arvind Mahendru, Trustee

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that on this 8th day of January, 2016, a copy of the foregoing has been furnished via:

Electronic Transmission to:

United States Trustee, George C. Young Federal Bldg., 400 W. Washington Street, Suite 1100, Orlando, FL 32801

Raymond J. Rotella, Esquire, Kosto & Rotella PA, 619 East Washington St., Orlando, FL 32801

Arvind Mahendru, Trustee, 5703 Red Bug Lake Road, Suite 284, Winter Springs, FL 32708

C. Craig Eller, Esquire, a/f PNC Bank, N.A., Broad and Cassel, One North Clematis Street, Suite 500, West Palm Beach, Florida 33401

United States Mail to:

Innovative Distribution LLC, 285 Barnes Blvd., Rockledge, FL 32955

All creditors and parties in interest listed on the mailing matrix attached hereto

/s/ Ryan E. Davis

Ryan E. Davis, Esquire

Label Matrix for local noticing
113A-6
Case 6:15-bk-03351-KSJ
Middle District of Florida
Orlando
Fri Jan 8 16:47:42 EST 2016

Direct Metals Inc.
c/o C. Andrew Roy
PO Box 1391
Orlando, FL 32802-1391

Gulf Coast Supply & Manufacturing, Inc.
c/o Lane E. Begy Roesch
Shuffield Lowman & Wilson, P.A.
1000 Legion Place
Suite 1700
Orlando, FL 32801-1028

Steven M Vanderwilt
9940 Hood Road
Jacksonville, FL 32257-1134

Amerigas
P O Box 660288
Dallas, TX 75266-0288

Brevard County Tax Collector
Lisa Cullen
P O Box 2500
Titusville, FL 32781-2500

Coastal Roofing Supply US
285 Barnes Blvd.
Rockledge, FL 32955-5325

Decra Roofing Systems
1230 Railroad St
Corona, CA 92882-1837

Direct Metals Inc.
c/o C. Andrew Roy, Esquire
PO Box 1391
Orlando, FL 32802-1391

Estate of Jose Mila
2585 Cox Road
Cocoa, FL 32926-3525

Jeffrey Ainsworth
Law Office of Robert Branson, PA
1501 E Concord St
Orlando, FL 32803-5411

Robert H Ewald
Ewald Enterprises, Inc.
12472 Lake Underhill Road
Suite 312
Orlando, FL 32828-7144

INNOVATIVE DISTRIBUTION LLC
285 BARNES BLVD.
Rockledge, FL 32955-5325

ADT Security Services Inc.
P O Box 371967
Pittsburgh, PA 15250-7967

Atlas Roofing Supply
c/o Thomas F. Neal, Esq.
P O Box 87
Orlando, FL 32802-0087

Chuck Engineering
1334 S Killian Dr.
Suite 4
West Palm Beach, FL 33403-1950

Coated Steel Corp.
The Mill Steel Co.
P O Box 77000
Detroit, MI 48277-2000

Dennis Wald
Wald Castillo & Wald P.A.
9990 SW 77th Ave., #220
Miami, FL 33156-2618

Douglas Ryder & Sons Inc.
2305 Cox Road
Cocoa, FL 32926-3523

Florida Department of Revenue
Bankruptcy Unit
Post Office Box 6668
Tallahassee FL 32314-6668

Ryan E. Davis
Winderweedle, Haines, Ward & Woodman, P.
P.O. Box 1391
Orlando, FL 32802-1391

Genco Sales, Inc.
c/o Sperry Law Firm
1607 S. Alexander Street
Suite 101
Plant City, FL 33563-8421

PNC BANK, NATIONAL ASSOCIATION
c/o C. Craig Eller, Esq.
1 N. Clematis St., Suite 500
West Palm Beach, FL 33401-5552

Allsteel Progressing LC
1250 NW 23rd Ave.
Fort Lauderdale, FL 33311-5243

Brevard County Tax Collector
Attn: Honorable Lisa Cullen, CFC
Post Office Box 2500
Titusville FL 32781-2500

Chuck Engineering
1399 N. Killian Dr., #4
West Palm Beach, FL 33403-1927

Coated Steel Corp.
c/o The Mill Steel co.
5116 36th St.
Grand Rapids, MI 49512-2010

Direct Metals Inc.
17600 East St.
North Fort Myers, FL 33917-2135

Dynamic Diesel Works
5303 126th Ave. N.
Clearwater, FL 33760-4610

Genco Sales
2606 Lakeview Way
Plant City, FL 33566-6774

Genco Sales, Inc.
c/o Sperry Law Firm
1607 S. Alexander Street
Suite 101
Plant City, Florida 33563-8421

Gulf Coast Supply
4020 SW 449th St.
Horseshoe Beach, FL 32648-9703

Gulf Coast Supply & Manufacturing Inc
c/o Shuffield Lowman & Wilson PA
Att: Lane Elizabeth Begy Roesch Esq
PO Box 1010
Orlando FL 32802-1010

Heyco Metals
PO Box 784971
Philadelphia, PA 19178-4971

(p) INTERNAL REVENUE SERVICE
CENTRALIZED INSOLVENCY OPERATIONS
PO BOX 7346
PHILADELPHIA PA 19101-7346

Internal Revenue Service
Post Office Box 7346
Philadelphia PA 19101-7346

Joseph A Mila
2340 Stonebridge Dr.
Rockledge, FL 32955-5606

Joseph Mila
2340 Stonebridge Dr.
Rockledge, FL 32955-5606

Kenwood Painted Metals
20200 Governors Drive
Suite 202
Olympia Fields, IL 60461-1056

Knudson Mfg
10401 W 120th Ave.
Broomfield, CO 80021-3405

MarCode Inc dba Zanasi USA
c/o Gary O'Heam
8601 73rd Avenue North Suite 38
Brooklyn Park MN 55428-1507

Office of the United States Trustee
George C. Young Federal Bldg.
400 W. Washington Street, Suite 1100
Orlando, FL 32801-2210

One Source Coil Coaters LLC
5110 140th Ave. N
Clearwater, FL 33760-3753

One Source Coil Coaters LLC
c/o Stichter, Riedel, Blain & Prosser
110 East Madison St., #200
Tampa, FL 33602-4718

PNC BANK
c/o William J Maguire, Esq.
Broad and Cassel
One North Clematis St., #500
West Palm Beach, FL 33401-5537

PNC BANK, N.A.
PO BOX 94982
CLEVELAND, OHIO 44101-4982

PNC Bank
Attn: Bankruptcy Dept.
P O Box 489909
Charlotte, NC 28269

PNC Bank, NA
c/o C. Craig Eller, Esq.
1 N. Clematis St., Suite 500
West Palm Beach, FL 33401-5552

Painted Metal Products
1025 Lockwood Dr.
Houston, TX 77020-7301

Painted Metal Products
750 Lockwood Dr.
Houston, TX 77020-7906

Prassas Metal Products
1411 190th St., #360
Gardena, CA 90248-4359

Preventive Maintenance
Service of FL
12555 47th Way N
Clearwater, FL 33762-4449

Sanford Scale Co. Inc.
P O Box 1388
Sanford, FL 32772-1388

State of Florida
Dept of Revenue
P O Box 6668
Tallahassee, FL 32314-6668

Steel Resources Inc.
6335 Valley View Road
Rogers, AR 72758-8221

Tapco Intl Corp.
29797 Beck Road
Wixom, MI 48393-2834

Titan Metals
1906 Maritime Blvd.
Tampa, FL 33605-6705

Totem Steel Intl Inc.
P O Box 1450
Minneapolis, MN 55485-1450

US STEEL
UNITED STATES STEEL CORPORATION-
C/O LACEE ECKER
600 GRANT STREET ROOM 1500
PITTSBURGH PA 15219-2754

US Steel
P O Box 121211
Dallas, TX 75312-1211

Uline
P O Box 88741
Chicago, IL 60680-1741

Underwriters Lab Inc.
P O Box 75330
Chicago, IL 60675-5330

Zanasi USA
8601 73rd Ave. N
Suite 38
Minneapolis, MN 55428-1507

Ryan E Davis +
Winderweedle Haines Ward & Woodman PA
Post Office Box 1391
Orlando, FL 32802-1391

C Craig Eller +
Broad and Cassel
One North Clematis Street
Suite 500
West Palm Beach, FL 33401-5537

Raymond J Rotella +
Kosto & Rotella PA
619 East Washington Street
Orlando, FL 32801-2969

Bruce J Sperry +
Bruce J. Sperry, P.A.
1607 South Alexander Street, Suite 101
Plant City, FL 33563-8421

United States Trustee - ORL +
Office of the United States Trustee
George C Young Federal Building
400 West Washington Street, Suite 1100
Orlando, FL 32801-2210

Lane E Begy Roesch +
Shuffield Lowman
1000 Legion Place
Suite 1700
Orlando, FL 32801-1028

Arvind Mahendru +
5703 Red Bug Lake Road
Suite 284
Winter Springs, FL 32708-4969

C. Andrew Roy +
Winderweedle, Haines, Ward & Woodman, PA
PO Box 1391
Orlando, FL 32802-1391

Note: Entries with a '+' at the end of the
name have an email address on file in CMECF

The preferred mailing address (p) above has been substituted for the following entity/entities as so specified
by said entity/entities in a Notice of Address filed pursuant to 11 U.S.C. 342(f) and Fed.R.Bank.P. 2002 (g) (4).

IRS
400 W. Bay St.
M/S 6720
Jacksonville, FL 32202

The following recipients may be/have been bypassed for notice due to an undeliverable (u) or duplicate (d) address.

(u) Ryan E Davis
Winderweedle, et al., P.A.
P.O. Box 1391
Orlando

(u) Karen S. Jennemann
Orlando

(d) Decra Roofing Systems
1230 Railroad st.
Corona, CA 92882-1837

(d) Genco Sales, Inc.
c/o Sperry Law Firm
1607 S. Alexander Street
Suite 101
Plant City, Florida 33563-8421

(d) Gulf Coast Supply & Manufacturing, Inc.
c/o Lane E. Begy Roesch
Shuffield Lowman & Wilson, P.A.
1000 Legion Place, Suite 1700
Orlando, FL 32801-1028

(d) Gulf Coast Supply & Manufacturing, Inc.
c/o Lane E. Begy Roesch
Shuffield Lowman & Wilson, P.A.
1000 Legion Place, Suite 1700
Orlando, FL 32801-1028

(d) Joseph Mila
2340 Stonebridge Drive
Rockledge, FL 32955-5606

End of Label Matrix
Mailable recipients 71
Bypassed recipients 7
Total 78